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to: **Lesley Cummings**

date: **May 3, 2007**

from: **Pete Davidson**

subject: **High Risk Assessment
Analysis**

At your request, PricewaterhouseCoopers has calculated the estimated subsidy costs that may be required under various scenarios if changes are made to the structure of the Managed Risk Medical Insurance Program (MRMIP). This analysis is a followup to previous analyses you have requested, and the results are contained in the attached exhibits.

Compared to the most recent prior analyses, completed in August 2006, the following assumptions have been modified:

- MRMIP enrollment growth: since recent MRMIP enrollment growth has not been consistent with prior assumptions, we prepared four different scenarios with varying enrollment growth assumptions.
- MRMIP and GIP enrollment for 2008, which serve as the starting point for the projections, have been revised to be more consistent with current levels. Specifically, MRMIP enrollment has been revised from 8,200 down to 7,700, and GIP enrollment has been revised from 6,700 down to 6,200.
- The Commercial base rate has been revised to reflect calendar year 2007 expectations.
- The ratio of GIP premiums to the Commercial base rate has been revised to incorporate the difference in the average age of GIP enrollees relative to MRMIP enrollees. GIP enrollees are several years older on average, and GIP premium rates vary by age.
- The MRMIP and GIP projected 2008 loss ratios were revised to reflect most recent available data.
- As requested, additional summary tables (Table 4 in each scenario) were prepared showing the projected assessment if CalPERS enrollment were excluded from Large Group.

If you have any questions about our analyses, please call me or Sandi.

MRMIP Financial Projection Estimates

Estimated Cost of Covering the Uninsurable Population

Scenario 1: Assumed enrollment growth of 400 per month year 1, 350 per month years 2 through 5

Table 1

MRMIP & GIP Only

	2008	2009	2010	2011	2012
Average Enrollment	16,500	20,975	25,175	29,375	33,575
Total Costs Opt 1)	\$267,305,145	\$339,715,724	\$438,837,144	\$551,572,902	\$679,482,403
- Expected Premiums	\$137,799,851	\$192,690,125	\$254,401,491	\$326,528,229	\$410,536,302
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$177,799,851	\$232,690,125	\$294,401,491	\$366,528,229	\$450,536,302
Total Subsidy Needed	\$89,505,294	\$107,025,599	\$144,435,653	\$185,044,673	\$228,946,101
Marketplace Assessment PMPM Cumulative					
- Individual	\$3.24	\$3.88	\$5.23	\$6.70	\$8.30
- Plus Small Group	\$1.49	\$1.78	\$2.41	\$3.08	\$3.82
- Plus Large Group	\$0.53	\$0.64	\$0.86	\$1.10	\$1.36
- Plus Carrier-based ASO	\$0.50	\$0.60	\$0.81	\$1.04	\$1.29
- Plus ASO wo stop loss	\$0.50	\$0.60	\$0.81	\$1.04	\$1.29
- Total	\$0.50	\$0.60	\$0.81	\$1.04	\$1.29

Table 2

MRMIP & GIP

New HIPAA and Conversion enrollees

	2008	2009	2010	2011	2012
Average Enrollment	26,250	45,475	59,238	66,875	71,075
Total Costs Opt 1)	\$405,491,629	\$727,194,471	\$1,023,927,742	\$1,251,006,242	\$1,434,283,914
- Expected Premiums	\$218,474,648	\$416,932,202	\$597,749,843	\$743,372,778	\$869,065,306
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$258,474,648	\$456,932,202	\$637,749,843	\$783,372,778	\$909,065,306
Total Subsidy Needed	\$147,016,981	\$270,262,268	\$386,177,899	\$467,633,464	\$525,218,608
Marketplace Assessment PMPM Cumulative					
- Individual	\$5.33	\$9.79	\$13.99	\$16.94	\$19.03
- Plus Small Group	\$2.45	\$4.50	\$6.44	\$7.79	\$8.75
- Plus Large Group	\$0.88	\$1.61	\$2.30	\$2.78	\$3.13
- Plus Carrier-based ASO	\$0.83	\$1.52	\$2.17	\$2.63	\$2.96
- Plus ASO wo stop loss	\$0.83	\$1.52	\$2.17	\$2.63	\$2.96
- Total	\$0.83	\$1.52	\$2.17	\$2.63	\$2.96

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

MRMIP Financial Projection Estimates Estimated Cost of Covering the Uninsurable Population

Scenario 1: Assumed enrollment growth of 400 per month year 1, 350 per month years 2 through 5

Table 3

New HIPAA and Conversion enrollees only

	2008	2009	2010	2011	2012
Average Enrollment	9,750	24,500	34,063	37,500	37,500
Total Costs Opt 1)	\$138,186,484	\$387,478,747	\$585,090,598	\$699,433,340	\$754,801,511
- Expected Premiums	\$80,674,797	\$224,242,077	\$343,348,352	\$416,844,549	\$458,529,004
- Available Funds	\$0	\$0	\$0	\$0	\$0
Total Premiums and Funds available	\$80,674,797	\$224,242,077	\$343,348,352	\$416,844,549	\$458,529,004
Total Subsidy Needed	\$57,511,687	\$163,236,669	\$241,742,246	\$282,588,791	\$296,272,507
Marketplace Assessment PMPM Cumulative	\$0	\$0	\$0	\$0	\$0
- Individual	\$2.09	\$5.91	\$8.76	\$10.24	\$10.73
- Plus Small Group	\$0.96	\$2.72	\$4.03	\$4.71	\$4.93
- Plus Large Group	\$0.35	\$0.97	\$1.44	\$1.68	\$1.77
- Plus Carrier-based ASO	\$0.33	\$0.92	\$1.36	\$1.59	\$1.67
- Plus ASO wo stop loss	\$0.33	\$0.92	\$1.36	\$1.59	\$1.67
- Total	\$0.33	\$0.92	\$1.36	\$1.59	\$1.67

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

Excluding CalPERS from Large Group

Table 4

MRMIP & GIP

New HIPAA and Conversion enrollees only

	2008	2009	2010	2011	2012
Average Enrollment	26,250	45,475	59,238	66,875	71,075
Total Costs Opt 1)	\$405,491,629	\$727,194,471	\$1,023,927,742	\$1,251,006,242	\$1,434,283,914
- Expected Premiums	\$218,474,648	\$416,932,202	\$597,749,843	\$743,372,778	\$869,065,306
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$258,474,648	\$456,932,202	\$637,749,843	\$783,372,778	\$909,065,306
Total Subsidy Needed	\$147,016,981	\$270,262,268	\$386,177,899	\$467,633,464	\$525,218,608
Marketplace Assessment PMPM Cumulative					
- Individual	\$5.33	\$9.79	\$13.99	\$16.94	\$19.03
- Plus Small Group	\$2.45	\$4.50	\$6.44	\$7.79	\$8.75
- Plus Large Group	\$0.94	\$1.72	\$2.46	\$2.98	\$3.35
- Plus Carrier-based ASO	\$0.88	\$1.62	\$2.32	\$2.81	\$3.15
- Plus ASO wo stop loss	\$0.88	\$1.62	\$2.32	\$2.81	\$3.15
- Total	\$0.88	\$1.62	\$2.32	\$2.81	\$3.15

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

MRMIP Financial Projection Estimates Estimated Cost of Covering the Uninsurable Population

Scenario 2: Assumed enrollment growth of 300 per month year 1, 200 per month years 2 through 5

Table 1

MRMIP & GIP Only

	2008	2009	2010	2011	2012
Average Enrollment	15,850	18,800	21,200	23,600	26,000
Total Costs Opt 1)	\$257,242,804	\$304,256,451	\$369,514,218	\$443,245,718	\$526,398,047
- Expected Premiums	\$132,371,372	\$172,709,145	\$214,232,832	\$262,334,169	\$317,913,444
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$172,371,372	\$212,709,145	\$254,232,832	\$302,334,169	\$357,913,444
Total Subsidy Needed	\$84,871,432	\$91,547,306	\$115,281,386	\$140,911,549	\$168,484,603
Marketplace Assessment PMPM Cumulative					
- Individual	\$3.08	\$3.32	\$4.18	\$5.11	\$6.10
- Plus Small Group	\$1.41	\$1.53	\$1.92	\$2.35	\$2.81
- Plus Large Group	\$0.51	\$0.54	\$0.69	\$0.84	\$1.00
- Plus Carrier-based ASO	\$0.48	\$0.52	\$0.65	\$0.79	\$0.95
- Plus ASO wo stop loss	\$0.48	\$0.52	\$0.65	\$0.79	\$0.95
- Total	\$0.48	\$0.52	\$0.65	\$0.79	\$0.95

Table 2

MRMIP & GIP

New HIPAA and Conversion enrollees

	2008	2009	2010	2011	2012
Average Enrollment	25,600	43,300	55,263	61,100	63,500
Total Costs Opt 1)	\$395,429,283	\$691,735,196	\$954,604,817	\$1,142,679,057	\$1,281,199,559
- Expected Premiums	\$213,046,170	\$396,951,223	\$557,581,186	\$679,178,718	\$776,442,444
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$253,046,170	\$436,951,223	\$597,581,186	\$719,178,718	\$816,442,444
Total Subsidy Needed	\$142,383,113	\$254,783,972	\$357,023,631	\$423,500,339	\$464,757,115
Marketplace Assessment PMPM Cumulative					
- Individual	\$5.16	\$9.23	\$12.94	\$15.34	\$16.84
- Plus Small Group	\$2.37	\$4.25	\$5.95	\$7.06	\$7.75
- Plus Large Group	\$0.85	\$1.52	\$2.13	\$2.52	\$2.77
- Plus Carrier-based ASO	\$0.80	\$1.43	\$2.01	\$2.38	\$2.62
- Plus ASO wo stop loss	\$0.80	\$1.43	\$2.01	\$2.38	\$2.62
- Total	\$0.80	\$1.43	\$2.01	\$2.38	\$2.62

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

MRMIP Financial Projection Estimates Estimated Cost of Covering the Uninsurable Population

Scenario 2: Assumed enrollment growth of 300 per month year 1, 200 per month years 2 through 5

Table 3

New HIPAA and Conversion enrollees only

	2008	2009	2010	2011	2012
Average Enrollment	9,750	24,500	34,063	37,500	37,500
Total Costs Opt 1)	\$138,186,479	\$387,478,745	\$585,090,599	\$699,433,339	\$754,801,512
- Expected Premiums	\$80,674,798	\$224,242,078	\$343,348,354	\$416,844,549	\$458,529,000
- Available Funds	\$0	\$0	\$0	\$0	\$0
Total Premiums and Funds available	\$80,674,798	\$224,242,078	\$343,348,354	\$416,844,549	\$458,529,000
Total Subsidy Needed	\$57,511,681	\$163,236,666	\$241,742,245	\$282,588,790	\$296,272,512
Marketplace Assessment PMPM Cumula	\$0	\$0	\$0	\$0	\$0
- Individual	\$2.08	\$5.91	\$8.76	\$10.23	\$10.74
- Plus Small Group	\$0.96	\$2.72	\$4.03	\$4.71	\$4.94
- Plus Large Group	\$0.34	\$0.98	\$1.44	\$1.68	\$1.77
- Plus Carrier-based ASO	\$0.32	\$0.91	\$1.36	\$1.59	\$1.67
- Plus ASO wo stop loss	\$0.32	\$0.91	\$1.36	\$1.59	\$1.67
- Total	\$0.32	\$0.91	\$1.36	\$1.59	\$1.67

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

Excluding CalPERS from Large Group MRMIP & GIP

Table 4

New HIPAA and Conversion enrollees only

	2008	2009	2010	2011	2012
Average Enrollment	25,600	43,300	55,263	61,100	63,500
Total Costs Opt 1)	\$395,429,283	\$691,735,196	\$954,604,817	\$1,142,679,057	\$1,281,199,559
- Expected Premiums	\$213,046,170	\$396,951,223	\$557,581,186	\$679,178,718	\$776,442,444
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$253,046,170	\$436,951,223	\$597,581,186	\$719,178,718	\$816,442,444
Total Subsidy Needed	\$142,383,113	\$254,783,972	\$357,023,631	\$423,500,339	\$464,757,115
Marketplace Assessment PMPM Cumulative					
- Individual	\$5.16	\$9.23	\$12.94	\$15.34	\$16.84
- Plus Small Group	\$2.37	\$4.25	\$5.95	\$7.06	\$7.75
- Plus Large Group	\$0.91	\$1.62	\$2.27	\$2.70	\$2.96
- Plus Carrier-based ASO	\$0.85	\$1.53	\$2.14	\$2.54	\$2.79
- Plus ASO wo stop loss	\$0.85	\$1.53	\$2.14	\$2.54	\$2.79
- Total	\$0.85	\$1.53	\$2.14	\$2.54	\$2.79

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

MRMIP Financial Projection Estimates

Estimated Cost of Covering the Uninsurable Population

Scenario 3: Assumed enrollment growth of 200 per month year 1, 150 per month years 2 through 5

Table 1

MRMIP & GIP Only

	2008	2009	2010	2011	2012
Average Enrollment	15,200	17,275	19,075	20,875	22,675
Total Costs Opt 1)	\$247,180,461	\$279,620,210	\$332,578,456	\$392,215,416	\$459,267,503
- Expected Premiums	\$126,942,893	\$158,699,495	\$192,759,024	\$232,043,465	\$277,257,207
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$166,942,893	\$198,699,495	\$232,759,024	\$272,043,465	\$317,257,207
Total Subsidy Needed	\$80,237,568	\$80,920,715	\$99,819,432	\$120,171,951	\$142,010,296
Marketplace Assessment PMPM Cumulative					
- Individual	\$2.91	\$2.93	\$3.62	\$4.35	\$5.15
- Plus Small Group	\$1.34	\$1.35	\$1.66	\$2.00	\$2.37
- Plus Large Group	\$0.48	\$0.48	\$0.59	\$0.72	\$0.85
- Plus Carrier-based ASO	\$0.45	\$0.46	\$0.56	\$0.68	\$0.80
- Plus ASO wo stop loss	\$0.45	\$0.46	\$0.56	\$0.68	\$0.80
- Total	\$0.45	\$0.46	\$0.56	\$0.68	\$0.80

Table 2

MRMIP & GIP

New HIPAA and Conversion enrollees

	2008	2009	2010	2011	2012
Average Enrollment	24,950	41,775	53,138	58,375	60,175
Total Costs Opt 1)	\$385,366,946	\$667,098,956	\$917,669,054	\$1,091,648,759	\$1,214,069,012
- Expected Premiums	\$207,617,693	\$382,941,573	\$536,107,377	\$648,888,014	\$735,786,210
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$247,617,693	\$422,941,573	\$576,107,377	\$688,888,014	\$775,786,210
Total Subsidy Needed	\$137,749,253	\$244,157,382	\$341,561,677	\$402,760,745	\$438,282,802
Marketplace Assessment PMPM Cumulative					
- Individual	\$4.99	\$8.85	\$12.38	\$14.59	\$15.88
- Plus Small Group	\$2.30	\$4.07	\$5.69	\$6.71	\$7.30
- Plus Large Group	\$0.82	\$1.45	\$2.03	\$2.40	\$2.61
- Plus Carrier-based ASO	\$0.78	\$1.37	\$1.92	\$2.27	\$2.47
- Plus ASO wo stop loss	\$0.78	\$1.37	\$1.92	\$2.27	\$2.47
- Total	\$0.78	\$1.37	\$1.92	\$2.27	\$2.47

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

MRMIP Financial Projection Estimates Estimated Cost of Covering the Uninsurable Population

Scenario 3: Assumed enrollment growth of 200 per month year 1, 150 per month years 2 through 5

Table 3

New HIPAA and Conversion enrollees only

	2008	2009	2010	2011	2012
Average Enrollment	9,750	24,500	34,063	37,500	37,500
Total Costs Opt 1)	\$138,186,485	\$387,478,746	\$585,090,598	\$699,433,343	\$754,801,509
- Expected Premiums	\$80,674,800	\$224,242,078	\$343,348,353	\$416,844,549	\$458,529,003
- Available Funds	\$0	\$0	\$0	\$0	\$0
Total Premiums and Funds available	\$80,674,800	\$224,242,078	\$343,348,353	\$416,844,549	\$458,529,003
Total Subsidy Needed	\$57,511,685	\$163,236,667	\$241,742,245	\$282,588,794	\$296,272,506
Marketplace Assessment PMPM Cumula	\$0	\$0	\$0	\$0	\$0
- Individual	\$2.08	\$5.92	\$8.76	\$10.24	\$10.73
- Plus Small Group	\$0.96	\$2.72	\$4.03	\$4.71	\$4.93
- Plus Large Group	\$0.34	\$0.97	\$1.44	\$1.68	\$1.76
- Plus Carrier-based ASO	\$0.33	\$0.91	\$1.36	\$1.59	\$1.67
- Plus ASO wo stop loss	\$0.33	\$0.91	\$1.36	\$1.59	\$1.67
- Total	\$0.33	\$0.91	\$1.36	\$1.59	\$1.67

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

Excluding CalPERS from Large Group
MRMIP & GIP

Table 4

New HIPAA and Conversion enrollees only

	2008	2009	2010	2011	2012
Average Enrollment	24,950	41,775	53,138	58,375	60,175
Total Costs Opt 1)	\$385,366,946	\$667,098,956	\$917,669,054	\$1,091,648,759	\$1,214,069,012
- Expected Premiums	\$207,617,693	\$382,941,573	\$536,107,377	\$648,888,014	\$735,786,210
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$247,617,693	\$422,941,573	\$576,107,377	\$688,888,014	\$775,786,210
Total Subsidy Needed	\$137,749,253	\$244,157,382	\$341,561,677	\$402,760,745	\$438,282,802
Marketplace Assessment PMPM Cumulative					
- Individual	\$4.99	\$8.85	\$12.38	\$14.59	\$15.88
- Plus Small Group	\$2.30	\$4.07	\$5.69	\$6.71	\$7.30
- Plus Large Group	\$0.88	\$1.56	\$2.18	\$2.57	\$2.79
- Plus Carrier-based ASO	\$0.83	\$1.47	\$2.05	\$2.42	\$2.63
- Plus ASO wo stop loss	\$0.83	\$1.47	\$2.05	\$2.42	\$2.63
- Total	\$0.83	\$1.47	\$2.05	\$2.42	\$2.63

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

MRMIP Financial Projection Estimates

Estimated Cost of Covering the Uninsurable Population

Scenario 4: Assumed enrollment growth of 150 per month year 1, 100 per month years 2 through 5

Table 1

MRMIP & GIP Only

	2008	2009	2010	2011	2012
Average Enrollment	14,875	16,350	17,550	18,750	19,950
Total Costs Opt 1)	\$242,149,295	\$264,596,327	\$306,013,783	\$352,376,041	\$404,213,773
- Expected Premiums	\$124,228,654	\$150,201,838	\$177,348,408	\$208,422,274	\$243,937,428
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$164,228,654	\$190,201,838	\$217,348,408	\$248,422,274	\$283,937,428
Total Subsidy Needed	\$77,920,641	\$74,394,489	\$88,665,375	\$103,953,767	\$120,276,345
Marketplace Assessment PMPM Cumulative					
- Individual	\$2.82	\$2.70	\$3.21	\$3.77	\$4.36
- Plus Small Group	\$1.30	\$1.24	\$1.48	\$1.73	\$2.00
- Plus Large Group	\$0.46	\$0.44	\$0.53	\$0.62	\$0.72
- Plus Carrier-based ASO	\$0.44	\$0.42	\$0.50	\$0.59	\$0.68
- Plus ASO wo stop loss	\$0.44	\$0.42	\$0.50	\$0.59	\$0.68
- Total	\$0.44	\$0.42	\$0.50	\$0.59	\$0.68

Table 2

MRMIP & GIP

New HIPAA and Conversion enrollees

	2008	2009	2010	2011	2012
Average Enrollment	24,625	40,850	51,613	56,250	57,450
Total Costs Opt 1)	\$380,335,778	\$652,075,074	\$891,104,383	\$1,051,809,382	\$1,159,015,284
- Expected Premiums	\$204,903,452	\$374,443,916	\$520,696,759	\$625,266,823	\$702,466,432
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$244,903,452	\$414,443,916	\$560,696,759	\$665,266,823	\$742,466,432
Total Subsidy Needed	\$135,432,326	\$237,631,157	\$330,407,624	\$386,542,559	\$416,548,852
Marketplace Assessment PMPM Cumulative					
- Individual	\$4.91	\$8.61	\$11.97	\$14.01	\$15.09
- Plus Small Group	\$2.26	\$3.96	\$5.51	\$6.44	\$6.94
- Plus Large Group	\$0.81	\$1.41	\$1.97	\$2.30	\$2.48
- Plus Carrier-based ASO	\$0.76	\$1.34	\$1.86	\$2.18	\$2.35
- Plus ASO wo stop loss	\$0.76	\$1.34	\$1.86	\$2.18	\$2.35
- Total	\$0.76	\$1.34	\$1.86	\$2.18	\$2.35

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

MRMIP Financial Projection Estimates Estimated Cost of Covering the Uninsurable Population

Scenario 4: Assumed enrollment growth of 150 per month year 1, 100 per month years 2 through 5

Table 3

New HIPAA and Conversion enrollees only

	2008	2009	2010	2011	2012
Average Enrollment	9,750	24,500	34,063	37,500	37,500
Total Costs Opt 1)	\$138,186,483	\$387,478,747	\$585,090,600	\$699,433,341	\$754,801,511
- Expected Premiums	\$80,674,798	\$224,242,078	\$343,348,351	\$416,844,549	\$458,529,004
- Available Funds	\$0	\$0	\$0	\$0	\$0
Total Premiums and Funds available	\$80,674,798	\$224,242,078	\$343,348,351	\$416,844,549	\$458,529,004
Total Subsidy Needed	\$57,511,685	\$163,236,668	\$241,742,249	\$282,588,792	\$296,272,507
Marketplace Assessment PMPM Cumulative	\$0	\$0	\$0	\$0	\$0
- Individual	\$2.09	\$5.91	\$8.76	\$10.24	\$10.73
- Plus Small Group	\$0.96	\$2.72	\$4.03	\$4.71	\$4.94
- Plus Large Group	\$0.35	\$0.97	\$1.44	\$1.68	\$1.76
- Plus Carrier-based ASO	\$0.32	\$0.92	\$1.36	\$1.59	\$1.67
- Plus ASO wo stop loss	\$0.32	\$0.92	\$1.36	\$1.59	\$1.67
- Total	\$0.32	\$0.92	\$1.36	\$1.59	\$1.67

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

Excluding CalPERS from Large Group MRMIP & GIP

Table 4

New HIPAA and Conversion enrollees only

	2008	2009	2010	2011	2012
Average Enrollment	24,625	40,850	51,613	56,250	57,450
Total Costs Opt 1)	\$380,335,778	\$652,075,074	\$891,104,383	\$1,051,809,382	\$1,159,015,284
- Expected Premiums	\$204,903,452	\$374,443,916	\$520,696,759	\$625,266,823	\$702,466,432
- Available Funds	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000	\$40,000,000
Total Premiums and Funds available	\$244,903,452	\$414,443,916	\$560,696,759	\$665,266,823	\$742,466,432
Total Subsidy Needed	\$135,432,326	\$237,631,157	\$330,407,624	\$386,542,559	\$416,548,852
Marketplace Assessment PMPM Cumulative					
- Individual	\$4.91	\$8.61	\$11.97	\$14.01	\$15.09
- Plus Small Group	\$2.26	\$3.96	\$5.51	\$6.44	\$6.94
- Plus Large Group	\$0.86	\$1.51	\$2.11	\$2.46	\$2.65
- Plus Carrier-based ASO	\$0.81	\$1.43	\$1.98	\$2.32	\$2.50
- Plus ASO wo stop loss	\$0.81	\$1.43	\$1.98	\$2.32	\$2.50
- Total	\$0.81	\$1.43	\$1.98	\$2.32	\$2.50

Assumes HIPAA and Conversion enrollment reaches steady state at the end of 2011

